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## Before the COPYRIGHT ROYALTY JUDGES Washington, D.C.

In the Matter of	)	
	)	
Distribution of 2014-2017	)	Docket No. 16-CRB-0010-SD
Cable Royalty Funds	)	(2014-2017)
	)	

## Multigroup Claimants' Motion for Partial Distribution of 2015-2017 Satellite Royalties

Worldwide Subsidy Group LLC (a Texas limited liability company) dba Multigroup Claimants ("MGC") hereby moves the Copyright Royalty Judges to order a partial distribution to MGC of the 2015-2017 satellite royalty funds (the "Satellite Funds").

On November 7, 2018, the Judges granted the "Allocation Phase Claimants" motion for distribution of 60% of the 2015 Satellite Funds. *Order Granting Allocation Phase Claimants' Motion for Partial Distribution of 2015 Satellite Royalties* (Nov. 7, 2018), Docket no. 17-CRB-0011-SD (2015) (Allocation Phase).

On August 23, 2019, the Judges granted the "Allocation Phase Claimants" motion for distribution of 40% of the 2016 and 2017 Satellite Funds. *Order Granting Motion of Allocation Phase Claimants for Partial Distribution of 2016 and 2017 Satellite Royalty Funds* (Aug. 23, 2019), Docket no. 16-CRB-0010-SD (2014-2017).

The circumstances warrant a partial distribution of the Satellite Funds to MGC, in an amount commensurate with 50% of the average percentage amounts previously awarded to MGC in the 2010-2013 satellite proceedings, as soon as feasible.

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## I. THE JUDGES HAVE AUTHORITY TO ORDER PRECONTROVERSY PARTIAL DISTRIBUTIONS.

Section 111 of the Copyright Act favors the early distribution of cable royalties.

See 17 U.S.C. § 111(d)(4)(C). Chapter 8 of the Copyright Act vests the Judges with ample statutory authority to order the precontroversy distribution of cable royalties. In the Copyright Royalty Judges Program Technical Corrections Act, Congress amended Section 801(b)(3)(C) to clarify that a partial distribution of royalties can be made at any time after the filing of claims. See Pub. L. No. 109-303 §§ 3, 5, 109<sup>th</sup> Cong., 2d Sess. (2006), 120 Stat. 1478. Congress affirmed the Judges' authority to order partial distributions of statutory royalties in advance of the declaration of a controversy. Section 801(b)(3)(C) provides:

Notwithstanding section 804(b)(8), the Copyright Royalty Judges, at any time after the filing of claims under section 111, 119, or 1007, may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the Copyright Royalty Judges conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

- (i) agree to the partial distribution;
- (ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);
- (iii) file the agreement with the Copyright Royalty Judges; and
- (iv) agree that such funds are available for distribution.

17 U.S.C. § 111(d)(4)(C).

# II. DISTRIBUTION OF THE 2015-2017 SATELLITE FUNDS TO MULTIGROUP CLAIMAINTS COMMENSURATE WITH 50% OF PERCENTAGE AMOUNTS PREVIOUSLY AWARDED IS REASONABLE AND APPROPRIATE.

The statutorily prescribed deadline for filing claims has now passed. MGC is an established claimant that agrees to sign the separate agreement contemplated by Section 801(b)(3)(C)(ii) obligating it to return any excess royalty amounts received, in a form to be provided by the Office or the Copyright Royalty Judges, in advance of the requested distribution, and agrees to file such an agreement with the Copyright Royalty Judges or as otherwise directed. All other participants to the 2015-2017 proceedings have received partial distributions of 60%, 40%, and 40% of those royalty pools, respectively.

## A. Multigroup Claimants' computation of its proportionate royalties based on its award of 2010-2013 satellite royalties.

The parties to the allocation phase of the 2010-2013 satellite proceedings resolved the allocation of royalties to the devotional programming category pursuant to a confidential settlement agreement. See Allocation Phase Parties' Notice of Allocation Phase Settlement and Motion to Cancel Hearing (Jan. 9, 2020). Notwithstanding, in the course of distribution to MGC of 2010-2013 satellite royalties, MGC was informed of the percentage of royalties allocable to the devotional programming category by the Licensing Division. Respecting the confidential nature of such information, MGC does not report the percentages in this motion.

On December 29, 2020, the Judges granted MGC's motion for final distribution of 2010-2013 Satellite Royalty Funds. MGC's average award of the devotional satellite royalties for 2010-2013 equals 12%. See *Order Granting Multigroup Claimants' Third* 

Motion for Final Distribution of 2010-2013 Satellite Royalty Funds (Dec. 29, 2020), Consolidated Docket no. 14-CRB-0010-CD/SD (2010-2013).

According to the Licensing Division of the Copyright Office, as of June 30, 2021, the amount of 2015-2017 Satellite Funds collected equal the following amounts:

2015 funds: \$60,399,686 2016 funds: \$13,215,099 2017 funds: \$12,332,669

Although MGC could easily calculate MGC's average award of 2010-2013 devotional royalties to the aggregate satellite royalties collected for 2015-2017, for purposes of maintaining the confidentiality of the Allocation Phase Parties' settlement (to which MGC was not a party), MGC declines to do so unless necessary. Rather, MGC proposes that such confidentiality be maintained, but seeks an order for distribution to MGC of an amount confidentiality calculated by the Licensing Division, that equals 50% of the average satellite royalty awarded to MGC for 2010-2013, as applied against the 2015-2017 satellite royalties collected.

#### **CONCLUSION**

For the reasons set forth above, Multigroup Claimants respectfully requests that the Judges, pursuant to 17 U.S.C. § 801(b)(3)(C), publish for comment in the Federal Register the proposed partial distribution of 50% of the royalties previously awarded to Multigroup Claimants, as applied to the 2015-2017 Satellite Funds according to calculations confidentially conducted by the Licensing Division, and thereafter grant this Motion and order a partial distribution of such funds to Multigroup Claimants as soon as feasible.

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MULTIGROUP CLAIMANTS' MOTION FOR PARTIAL
DISTRIBUTION OF 2015-2017 SATELLITE ROYALTIES

#### Respectfully submitted,

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#### CERTIFICATE OF SERVICE

1 certify that on July 23, 2021, I caused a copy of the foregoing pleading to be
served on all parties registered to receive notice by eCRB by filing through the eCRB
filing system.

\_\_\_\_\_/s/\_\_\_ Brian D. Boydston, Esq.

### **Proof of Delivery**

I hereby certify that on Friday, July 23, 2021, I provided a true and correct copy of the Multigroup Claimants' Motion for Partial Distribution of 2015-2017 Satellite Royalties to the following:

American Society of Composers, Authors and Publishers (ASCAP), represented by Sam Mosenkis, served via ESERVICE at smosenkis@ascap.com

Devotional Claimants, represented by Matthew J MacLean, served via ESERVICE at matthew.maclean@pillsburylaw.com

Broadcast Music, Inc., represented by Jennifer T. Criss, served via ESERVICE at jennifer.criss@dbr.com

Major League Soccer, L.L.C., represented by Edward S. Hammerman, served via ESERVICE at ted@copyrightroyalties.com

Program Suppliers, represented by Lucy H Plovnick, served via ESERVICE at lhp@msk.com

SESAC Performing Rights, LLC, represented by John C. Beiter, served via ESERVICE at john@beiterlaw.com

Broadcaster Claimants Group, represented by John Stewart, served via ESERVICE at jstewart@crowell.com

Joint Sports Claimants, represented by Michael E Kientzle, served via ESERVICE at michael.kientzle@arnoldporter.com

Global Music Rights, LLC, represented by Scott A Zebrak, served via ESERVICE at scott@oandzlaw.com

Signed: /s/ Brian D Boydston